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Korea's Voluntary TRQs for 2nd Half of 2013

Report Categories:

Trade Policy Monitoring

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Report Highlights:

On June 28th, 2013, the Ministry of Strategy and Finance (MOSF) announced adjustments to tariff-rate quotas (TRQ) for the second half of 2013 on 12 agricultural and fishery products (Table I and II), in order to stabilize food prices affecting people's daily cost of living expenses and to bring into balance supply and demand for essential commodities.

General Information:

The government extended its implementation period for 7 TRQ items (Table I) through December 31, 2013, which set to expire on June 30, 2013. The MOSF also reduced the in-quota tariff rate for feed materials including beet-pulp, cotton seed hulls, and other preparations of a kind used in animal feeding and animal fat for feed (Table II) to lighten the farming costs for livestock farms.

Meanwhile, some TRQs in the first half of the year, including soybean oil, refined grape seed oil and rice bran oil are no longer applicable. Further information about TRQ administration from the first half of the year can be found in GAIN report [KS1310](#).

Wheat, Maize and Sugar

The TRQ implementation period for wheat for milling, corn for processing, and other sugar products will be extended through December 31, 2013. The TRQ extension is being implemented in order to stabilize living costs and will facilitate the supply and demand of food commodities.

Eels

The extended TRQ implementation period is intended to aid the eel farming industry.

The Schedule and expected effect

The TRQ regulation proposal was announced on June 28th and went into effect on July 1st. This will lower the tariff rate, in order to reduce farming costs for livestock farms, stabilize price levels of related items and contribute to bringing supply and demand into balance.

Table I. Extended Tariff Rate Quota (TRQ) Periods (July 1, 2013 – December 31, 2013)

HS No.	Commodity	Tariff Rate (%)		2013 Quota 1/ (MT)
		Base Tariff Rate	Quota Tariff Rate	
0301	Glass eel (<i>Anguilla</i> ssp.) for aquaculture 0301 92	5	3	Unlimited
0714	Manioc chips for alcohol 0714 10	20	10	125,000
1001	Wheat and meslin, other for milling 1001 99	1.8	1	1,000,000
1003	Malting barley, other 1003 90	30	25	25,000
1005	Maize for popcorn & processing 1005 90	3	1	1,250,000
1107	Malt for beer brewing 1107 10 1107 20	30	25	130,000
1701	Other sugar, containing added flavouring or	30	5	50,000

	coloring matter 1701 91			
1701	Other sugar 1701 99	30	5	

Source: Ministry of Strategy and Finance (MOSF), Korea Trade Information Service (KOTIS)

Note: 1/ Updated In-Quota Volume applies for July 1 – December 31, 2013

Table II. Reduced Tariff Commodities for the Second Half of 2013

HS No.	Commodity	Tariff Rate (%)		2013 Quota 2/ (MT)
		1 st Half of 2013	2 nd Half of 2013	
1518	Animal or vegetable fat for feed (excludes dehydrated castor oil and epoxidised soya oil) 1518 00	2	0	50,000
2303	Beet-pulp for feed (including for mushroom farming) 2303 20	2	0	200,000
2308	Cotton seed hulls for feed (including for mushroom farming) 2308 00	2	0	125,000
2309	2309 90 Other Preparations of a kind used in animal feeding.	2	0	4,400

Source: Ministry of Strategy and Finance (MOSF), Korea Trade Information Service (KOTIS)

Note: 2/ Updated In-Quota Volume applies for January 1 – December 31, 2013

Table III. Increased In-Quota Volume Commodity for 2013

HS No.	Commodity	Tariff rate (%) for In-quota Volume	In-quota Volume (MT) for 2013 2/	
			Previous	Updated
1214	1214 90	Zero	600,000	800,000
2308	Fodder roots and other vegetables for feed 2308 00			

Source: Ministry of Strategy and Finance (MOSF), Korea Trade Information Service (KOTIS)

Note: 2/ Updated In-Quota Volume applies for January 1 – December 31, 2013